

## Message Text

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PAGE 01 STATE 037529  
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00  
DOTE-00 INR-07 NSAE-00 CIEP-01 FAA-00 L-03 /034 R

DRAFTED BY EB/OA/AVP:SCKEITER:PMA  
APPROVED BY EB/OA:MHSTYLES  
EB/OA/AVP:AJWHITE  
EB/AN:WRILEY (DRAFT)  
CAB/BIA:MPETT (DRAFT)  
EUR/WE:MDURKEE  
CAB/BE:JKISER

-----181550 095130 /53

R 181428Z FEB 77  
FM SECSTATE WASHDC  
TO AMEMBASSY MADRID

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E.O. 11652: N/A

TAGS: EAIR, SP, US

SUBJECT: CIVAIR - NOTICE OF DISSATISFACTION RE  
NORTH ATLANTIC FARES

REF: MADRID 864; STATE 25476

1. EMBASSY REQUESTED TRANSMIT PROMPTLY TO HOST GOVERNMENT,  
AND IN ANY EVENT FOR RECEIPT NOT LATER THAN MARCH 16, A  
NOTICE OF DISSATISFACTION WITH NORTH ATLANTIC PASSENGER  
FARES PROPOSED BY IBERIA.

2. NOTE SHOULD BE ALONG FOLLOWING LINES:  
QUOTE....REFERS TO ARTICLE 10 (D) OF THE U.S.-SPAIN AIR  
TRANSPORT AGREEMENT. BY TARIFF REVISIONS FILED FEBRUARY 2,  
1977, IBERIA HAS PROPOSED NEW NORTH ATLANTIC PASSENGER  
FARES FOR EFFECTIVENESS APRIL 1977. NOTICE OF DISSATIS-  
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FACTION WITH THE FILING IS HEREBY GIVEN ON THE GROUNDS  
THAT THE FARES MAY BE UNJUST AND UNREASONABLE. UNQUOTE.

3. FYI. THE THRUST OF IBERIA'S PROPOSAL, WHICH DIFFERS  
SUBSTANTIALLY FROM THE IATA PACKAGE AGREED TO BY SEVERAL  
OTHER AIRLINES, WOULD BE TO INCREASE NORMAL FARES WHILE  
HOLDING PROMOTIONAL FARES TO STATUS QUO LEVELS OR TO

VERY SLIGHT INCREASES, IN SOME CASES EVEN REDUCING THEM SUBSTANTIALLY, TO CHARTER LEVELS. IN THE CAB STAFF'S VIEW IBERIA'S PROPOSAL IS DILUTIONARY AND ESSENTIALLY

UNECONOMIC, AS WELL AS DISCRIMINATORY IN TERMS OF THE EFFECT ON NORMAL FARE PASSENGERS. (THE BOARD HAS FELT FOR SOME TIME THAT NORMAL ECONOMY FARE PASSENGERS ARE PAYING SUBSTANTIALLY MORE THAN THE COST (TO THE AIRLINES) OF THEIR TRANSPORTATION.) END FYI.

4. RE: MADRID 864: SPANISH POSITION AS SUPPORTER OF ECAC INITIATIVE IS SOMEWHAT STRAINED SINCE IBERIA DID NOT ACCEDE TO IATA NORTH ATLANTIC PACKAGE FOR EFFECTIVENESS APRIL 1. THAT PACKAGE ALSO INCLUDES NORMAL ECONOMY FARE INCREASES, BUT OVERALL EFFECT IS TO NARROW GAP BETWEEN NORMAL FARE AND PROMOTIONAL FARES, A RESULT MUCH MORE ACCEPTABLE TO CAB THAN THE WIDENING IMPLICIT IN THE IBERIA PROPOSAL.

5. DEPT IS UNSURE WHAT FURTHER GUIDANCE EMBASSY WOULD FIND HELPFUL. CAB VIEWS WERE EXPLAINED TO SPANISH AT SOME LENGTH DURING FARE TALKS HELD LAST MAY, AND THERE IS NO SIGN OF MAJOR CHANGES SINCE THAT TIME.  
HARTMAN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AIR FARES  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE037529  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** SCKEITER:PMA  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Litigation History:**  
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**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 MADRID 864, 77 STATE 25476  
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**Review Action:** RELEASED, APPROVED  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Subject:** CIVAIR - NOTICE OF DISSATISFACTION RE NORTH ATLANTIC FARES  
**TAGS:** EAIR, SP, US  
**To:** MADRID  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/29927cc4-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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